



DRAFT

**Board of Trustees Meeting
June 1, 2006
11:00 a.m. to 1:00 p.m.
Sacramento, CA**

MINUTES

Board Members:

Present: David Carlisle, Diana Bonta, Richard Fantozzi, Tadao Fujiwara, Gary Gitnick, Jimmy Hara, Robert Hertzka, Harold Lancer, Linda Lucks, Deepak Rajpoot, Lisa Williams, Barbara Yaroslavsky

Absent: Leticia Mendez, Marcella Low

Quorum present: Yes

Others Present:

Council of Advisors: Larry Baum, Mary Canobbio

Staff: Robyn Boyer, Margarita Miranda, Sandra Lieu, Carlos Rodriguez, Diane Tomoda, Monique Voss

Guests: Bob David, Beth Wied

Proceedings:

- *Meeting called to order* at 11:10 a.m. by Chair, Dr. Gary Gitnick.
- Roll was called by Margarita Miranda; a quorum was present.
- Dr. Gitnick welcomed everyone, and attendees introduced themselves.
- Dr. Gitnick stated that the Board and staff are in transition. He stated his hope that the Board will continue to provide oversight as appropriate and that the majority of work will be done in the established committees. At a future time, the Board will formalize a strategic plan that identifies goals to fulfill the mission, and in his tenure as Chair, Dr. Gitnick stated his obligation to allow Trustees to rise to leadership roles. As chair of the Executive Committee, he will initiate the Board election of a President, Vice President, and Secretary, with rotating terms, and the Chair and President will share leadership. The statute asserts that Trustees shall have the ability and desire to solicit funds, and this is the standard by which the Trustees will be measured. The Board will engage in brainstorming and planning to advance the overall programs, but shall not micromanage staff or programs. In the future, Committee meetings will occur sequentially in the mid-afternoon, followed by the Board meeting the next day. As the Board composition stabilizes, a Board orientation program will be established.
- Dr. Gitnick shared his vision for the Foundation and the unique opportunity to serve the underserved. He urged staff to identify venues where recipients should be placed to perform their service obligation, develop outcomes assessment to prove that what we do

works, and think creatively in the application of telemedicine and access to health professionals. He envisioned providing awards to many more recipients.

- Mr. Baum requested an evaluation and understanding of the role of the Council of Advisors, and Ms. Boyer clarified that Dr. Carlisle, in his capacity as OSHPD Director, appoints the Council. Names of prospective advisors should be forwarded to Dr. Carlisle.
- January 26, 2006, Board Meeting Minutes were amended and approved. Ms. Wied and Mr. Carlisle confirmed that the State of California defends all Trustees and Advisors against liability. Dr. Gitnick affirmed that Minutes will be reviewed by the Executive Director, OSHPD Legal, Board Chair, and full Board. Dr. Hertzka requested a summary of prior cases where waivers have been requested and granted (case law) to help guide the Board's action in comparable cases.

Remarks and OSHPD Update provided by Dr. David Carlisle

- Dr. Carlisle reported there is an optimistic financial outlook as State revenues have increased dramatically. This substantial growth has allowed additional revenue to be directed to increase the State's emergency fund, pre-pay a large portion of the State's debt, and fund educational programs. Dr. Carlisle stated that there were no pending legislative issues. He also reported that OSHPD was recognized by the Sacramento Area Human Resource Association as the best medium range government agency to work for in 2006.

Development Committee Report provided by Chair, Ms. Barbara Yaroslavsky

- Ms. Yaroslavsky reported that the Development Committee met briefly to discuss moving forward to identify potential funds in the State. She requested that staff provide the committee with more information from program officers about how much was spent and what is available.

Finance Committee Report provided by Chair, Ms. Linda Lucks

- Ms. Lucks reported that the Finance committee reviewed an audit and a motion was made to recommend to the Board to adopt the audit. This motion was seconded and passed. The State and federal income taxes returns for 2005 have been filed. The Foundation has contracted Vaughn Johnson, a CPA, to perform accounting services for 2006 reports. The Bank of America checking account and Piper Jaffray and Merrill Lynch Investment accounts need to be updated with current information and, the following persons have been appointed with authorization signatures to Bank of America, Ms. Boyer, Dr. Gitnick and Ms. Lucks. For Piper Jaffray and Merrill Lynch, Ms. Lucks and Dr. Lancer. The appropriate signatures will be attained by Foundation staff and submitted to the Financial Institutions. There is a need to find individuals with experience in finance, dealing with investments, legal background, to advise the committee regarding non-profits.

Program Committee Report provided by Chair, Dr. Richard Fantozzi

- Dr. Fantozzi reported that the committee reviewed the ten active programs. Of the ten, eight have funding while the other two will sunset without funding. There are three new programs in various stages of regulations being written. These three new programs are:

Licensed Vocational Nurse Scholarship and Loan Repayment Program, Registered Nurse Educator loan program, and Mental Health loan repayment program. The Medical Board California Physician Corp will move over officially on July 1st. This program has two components which are the Steven M. Thompson loan repayment program and the Physician Volunteer program. The Physician Volunteer Program is active at six sites with the hope of expanding to other sites. With the transfer of the California Medical Board Physician Corp, there needs to be an advisory council specific for the program

Executive Director's Report

- Ms. Boyer gave a summary of the overall status of the Foundation. She reaffirmed that the organization, from staff to programs, is in transition. There is no funding from the state general fund and most funding comes from assessment on fees for programs. There is a responsibility to continue to monitor current programs. The organization is twenty years old and still process applications by hand. There should be some automation of processes or an increase in staff. With a strain on funds there may be a need to move funds from one program to another in order to continue to operate.

Program Report for March 24 Application Cycle

- The totals awarded during the March 24 application cycle are still being counted for the Health profession scholarship and Health profession loan repayment programs.

Old Business

- There was no old business

New Business

- There was no new business

Public Comment

- No public comment

Closed Session

- Request for Close Session of Board: None

Chairman's Remarks

- Dr. Gitnick stated that one of the biggest obstacles faced by the Foundation is the need for additional staff. He has asked Dr. Carlisle to re-evaluate staffing and possibly the standing mission. There is an opportunity for developing a model and hopes that it is achieved.

Meeting adjourned at 1:20 p.m.

Minutes submitted by Margarita Miranda.